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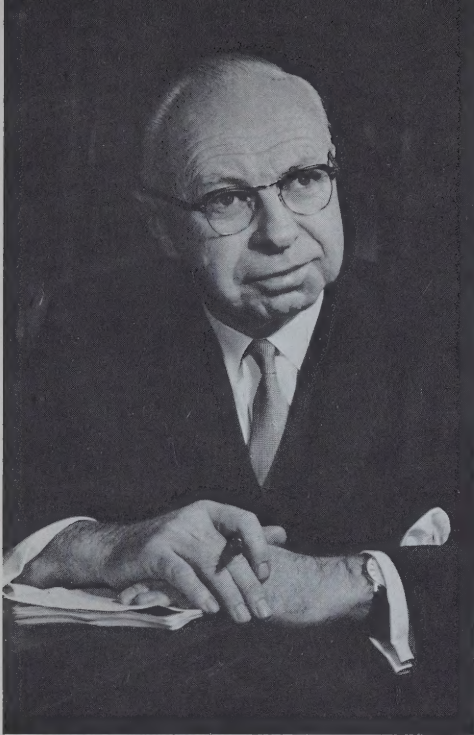
The Annual Reports  
of The Huron and Erie Mortgage Corporation  
and The Canada Trust Company  
for the year 1965







JAN 24 1966



J. Allyn Taylor  
PRESIDENT AND GENERAL MANAGER

## THE PRESIDENT'S REPORT

I am proud to report to the Shareholders that your Companies have enjoyed another successful year.

At December 31st, 1965:

- Operating profits of \$2,615,000 (equal to 65 cents per new share) were the highest for any year in our history.
- Total assets under administration, which passed the billion dollar mark just prior to the 100th Anniversary in 1964, had grown to \$1,356,000,000.
- There had been increases of \$49,000,000 in borrowings on debentures and trust certificates, \$19,000,000 in savings and deposit account volume; \$67,000,000 in mortgage volume; and \$125,000,000 in the value of estate, trust and agency assets entrusted to our management.
- Further expansion had brought the number of our branch offices to 50, the largest branch service operated by any Canadian trust company.
- There had been concurrent strengthening of the organization by promotion, staff recruitment, and training.
- Perhaps most important of all, from the standpoint of future progress, the number of our customers increased by over 40,000.

The foregoing are some highlights of the growth pattern of Canada Trust - Huron & Erie, a pattern that was maintained in 1965 in spite of some unexpected shadows that fell upon the Canadian financial landscape.

One such shadow was cast by the tight money situation that developed late in the year and continues to cause concern in the entire borrowing and lending field.

Another resulted from continuing uncertainty as to what eventually may come from the long-delayed revision of the Bank Act.

A third shadow fell upon the whole financial community in the wake of the collapse of the Atlantic Acceptance Corporation and its secondary impact upon British Mortgage and Trust Company. There was no loss to any depositor of the latter company, but the situation as a whole shook investor confidence and caused a backwash of uneasiness in the public mind.

Integrity is the keystone of the financial structure that has evolved in Canada over the past 200 years, a structure of stability and quality of service with few parallels in the entire world. The trust and loan industry in Canada has had a record no less enviable than that of the chartered banks. We ourselves may take justifiable pride in the fact that in 102 years in business, the integrity of Canada Trust - Huron & Erie has never been challenged.

That integrity is safe-guarded in many ways. It is the product of the strict supervision we receive as a Federally incorporated company; of comprehensive external audit procedures; of internal controls developed during a century of experience; and of group judgment actively exercised by Directors, Advisory Boards and Senior Management in all important decision-making areas. We maintain approximately twice the liquidity standards called for by Federal statute. Finally, our true Shareholders equity over and above all liabilities exceeds \$32,000,000.



## CHANGES IN THE FORM OF OUR REPORT

A reputation for integrity is not easily earned or preserved. It can never be taken for granted. A lesson was learned from the events of the past year. It was brought home to the financial community at large that seeds of public doubt and distrust may be hidden even in long-established and thoroughly respectable policies of corporations.

With this thought in mind the Directors of your Companies have reviewed long-standing policies governing publication of information about our financial affairs, with the result that this Annual Report contains statements quite different in form and content than those of past years.

Our reports for more than a century have held to the traditional and generally accepted pattern used by Canadian financial institutions. They have met all requirements of law and of general accounting practice, but they have been depositor-oriented and not primarily intended to enlighten Shareholders. That is to say, they have been aimed more toward building assurance of the strength of the institution in the minds of depositors, than toward giving the Shareholders a clear picture of the net worth and earning power of the Companies.

The Annual Reports for 1965 and subsequent years will give Shareholders and customers alike a much more revealing picture of the Companies' affairs. There are two marked differences in the accompanying Balance Sheets and in the Earnings Statements from those of previous years.

It has been our practice in the past to set aside a part of annual earnings in undisclosed reserves, with the sound and practical intent of adding to the strength of your Companies and affording substantial added protection for our depositors.

At the end of 1964 the undisclosed reserves, other than the mortgage reserves, totalled \$6,983,000. This amount has now been brought into the published figures by inclusion in General Reserve. The General Reserve, after the further addition of \$1,075,000 out of 1965 earnings, and \$4,650,000 in premium over par value arising from the issuance of additional capital

stock in 1965, totalled \$29,700,000 as of December 31 last. The publishing of previously undisclosed reserves is the first basic difference.

The second is in the matter of reporting earnings. The earnings as shown in previous reports have been after deduction of transfers to undisclosed reserves. No such deductions have been made in the 1965 Earnings Statement.

The advantages of the new method of reporting, in the opinion of your Directors, outweigh the probability that future statements may from time to time reveal sharp swings in earnings, instead of showing the relatively steady pattern of upward progress it was possible to maintain in statements of former years by the simple expedient of adjusting transfers to and from undisclosed reserves. The new method of reporting provides a measuring stick not only of corporate progress, but of the year to year performance of Management.

It will be noted that there are no tabulations in this Annual Report comparing 1965 results with those of past years. Such comparisons are virtually impossible with the change in reporting technique. Comparisons will appear in Annual Reports for 1966 and subsequent years.

It should be mentioned that in the statement of 1965 Net Earnings, an increased amount was transferred to Mortgage Reserve as allowed under a 1965 amendment to the Income Tax Act. Because of the amendment in the Act and the larger amount it was possible to transfer to Mortgage Reserve, corporation taxes payable for 1965 are about \$500,000 less than they would have been on the basis that prevailed in 1964. By the same token, had the transfer been on the same basis as in 1964, the consolidated net profit for 1965 would have reflected an increase of about 18 per cent over the previous year.

In considering earnings it should be kept in mind, as well, that per share calculations must now take into account the effect of additional capital stock issued in 1965 by "rights", as well as the five-for-one stock split. The rights issue was completely successful and added \$4,000,000 to paid-up capital and General Reserve. The stock split in

October achieved the desired result of placing the price of Huron & Erie shares within the reach of more investors, as evidenced by the fact that at the end of 1965 the number of Shareholders had increased from 2,000 to 2,750. A 10-cent quarterly dividend has been applied to the new stock, representing an increase of 25 per cent over the previous rate.

In discussing the new form of reporting I should refer specifically to the Special Mortgage Reserve created under the provisions of the Income Tax Act. It is a reserve that can be applied only against mortgage losses and, for that reason, it is deducted from the Mortgage Portfolio shown in each Balance Sheet.

This is not shown separately in the Balance Sheet because it is not a tax-paid reserve and, therefore, is not part of Shareholders' equity. The amount allocated to this reserve for 1965 is shown separately in the Earnings Statement, so as to give a true reflection of earnings.

We move into the new method of financial reporting with confidence that our statements will continue to underline the strength of your Companies and will warrant the confidence of Shareholders and customers alike.

#### **PORTFOLIO OF INVESTMENTS**

The primary element in the strength of your Companies is the quality of its portfolio of investments in bonds — largely short term Canadas — and — more particularly — in mortgages.

Our portfolio of conventional mortgages is of the highest calibre and one of the largest in Canada, standing at \$432,000,000 at the end of 1965, an increase of \$67,000,000 over the preceding year.

The outstanding characteristic of the mortgage portfolio, aside from its size, is its diversification. Two-thirds of the total investment is in Ontario, Quebec and the Atlantic Provinces, the remainder in the four Western Provinces. More than 70 per cent of the loans are secured by residential properties and the balance by multi-family, commercial, industrial, and farm properties. Your Companies attach greater importance to security than to high interest rates. Our average mortgage yield in 1965 was 7.05 per cent, as against 7.06 per cent in 1964.

Of the 41,000 separate loans on our books at the year-end, only 180 showed any significant arrears. The real estate the Companies had on hand as a result of loan defaults — and only six loans were involved — represents an investment of \$112,000, or about one-fortieth of one per cent of the total mortgage volume. No loss is expected on this real estate.

#### **BORROWINGS**

The tight money situation which developed last year was reflected in the borrowings phase of our business — savings, deposits, debentures and trust certificates. While savings and deposit volume increased by \$19,000,000, this fell far short of our expectations. On the brighter side is the fact we acquired more than 20,000 new customers in these departments, thus broadening the base for future growth. The volume of debenture and trust certificate borrowing increased by a substantial \$49,000,000, although this was accomplished in large part by increasing interest rates. There is good cause for concern over the narrowing spread between the rates at which we borrow money and the rates at which we lend, and this condition is aggravated by the rise in general operating costs.

#### **TRUSTS, ESTATES AND AGENCIES**

All phases of our trust business again showed remarkable growth. There was a net increase of \$125,000,000 in the value of estate, trust and agency assets entrusted to our management. The Retirement Savings Funds grew substantially. The Canada Trust Investment Fund, the oldest and largest fund of its kind in the trust business in Canada, passed the \$50,000,000 mark at the year-end, striking testimony to its popularity with the investing public and to the skill with which its investments are managed.

#### **CONTINUING EXPANSION**

The development of new outlets to serve the people of Canada continued in 1965 with the opening of four branches in Toronto and one each in the St. Hubert district of Montreal; Moose Jaw, Sask.; Stratford, Ont., and Prince George, B.C. We erected a new building for the branch in the thriving city of Prince George, and work was begun on another one in Sarnia, Ont. There was



extensive renovation of premises in Victoria, B.C., and Windsor, Ont., and we have begun to make major renovations in the Head Office Building in London. Although there were some initial delays because of the construction strike, work is now progressing satisfactorily on the new Toronto Main Office building at Yonge and Adelaide Streets in that city.

There will be further expansion of our branch system in 1966. Of particular interest is a proposed new building to properly house our substantial business in St. Thomas, Ont. The purchase of the site last Spring was fortuitous in light of recent announcement of large scale industrial developments in the St. Thomas area.

The establishment of new branches and the general growth of the business increased the number of employees to 1,220 as at December 31. We have a fine staff with exceptional morale, and to meet our growing needs for qualified people we are giving more attention than ever before to employee selection and training.

#### **LONG RANGE PLANNING**

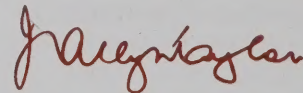
The rate of change in the trust and loan industry is accelerating. To meet the challenge of this change we are now engaged in studies leading to profit-planning based on five-year projections.

While these studies must be flexible and subject to up-dating, they will produce a better blueprint for progress and achievement of goals than we have ever had before.

We record with sorrow the deaths in the past year of Mr. H. E. Cochran, a Director of both Huron & Erie and Canada Trust; Colonel J. E. Smallman, a Director of Canada Trust; and Mr. Harold G. Long, a member of the Southern Alberta Advisory Board. Each had served the Companies effectively and devotedly. Mr. Roland Chagnon of Montreal has been elected a Director of Canada Trust, and we are fortunate in the strength his presence has added.

On behalf of the Directors and Shareholders, I offer warm thanks for the loyalty, effort and interest of the men and women on our staff. Their contribution is all-important to the accomplishments of the Companies.

Canada Trust - Huron & Erie enjoys a combination of human resource and financial strength that gives assurance of continued success.



PRESIDENT AND GENERAL MANAGER

## OFFICERS OF THE HURON AND ERIE MORTGAGE CORPORATION AND THE CANADA TRUST COMPANY

J. Allyn Taylor, *President and General Manager*

*Assistant General Managers:*

A. H. Mingay, Toronto

A. R. Steele, Administration

R. A. Treleaven, Montreal

G. E. G. Whitaker, Western Ontario

J. D. Wilson, Western Canada

R. A. Knighton, C.A., *Secretary*

E. D. L. Miller, *Treasurer*

## BOARD OF DIRECTORS OF THE HURON AND ERIE MORTGAGE CORPORATION

V. P. Cronyn, *Chairman of the Board*, London, Ont.

J. Allyn Taylor, *President*, London, Ont.

*Vice-Presidents:*

Lieutenant-Colonel Tom Lawson, London, Ont.

M. C. G. Meighen, O.B.E., Toronto, Ont.

*Directors:*

R. P. Baker, London, Ont.

A. E. Barron, Toronto, Ont.

Captain Joseph Jeffery, O.B.E., Q.C., London, Ont.

H. H. Leather, M.B.E., Hamilton, Ont.

Colonel Ibbotson Leonard, D.S.O., London, Ont.

A. H. Mingay, Toronto, Ont.

R. H. Reid, London, Ont.

Major-General A. C. Spencer,

C.B.E., E.D., LL.D., D.Litt .S., London, Ont.

J. D. Wilson, Vancouver, B.C.

## BOARD OF DIRECTORS OF THE CANADA TRUST COMPANY

V. P. Cronyn, *Chairman of the Board*, London, Ont.

J. Allyn Taylor, *President*, London, Ont.

*Vice-Presidents:*

Lieutenant-Colonel Tom Lawson, London, Ont.

M. C. G. Meighen, O.B.E., Toronto, Ont.

*Directors:*

R. P. Baker, London, Ont.

A. E. Barron, Toronto, Ont.

W. J. Blackburn, London, Ont.

Roland Chagnon, C.A., Montreal, P.Q.

The Honourable J. V. Clyne, Vancouver, B.C.

G. E. Creber, Toronto, Ont.

Gordon Farrell, Vancouver, B.C.

F. P. Galbraith, Red Deer, Alta.

E. L. Harvie, Q.C., Calgary, Alta.

Captain Joseph Jeffery, O.B.E., Q.C., London, Ont.

H. H. Leather, M.B.E., Hamilton, Ont.

Colonel Ibbotson Leonard, D.S.O., London, Ont.

R. H. Reid, London, Ont.

J. M. Riddell, Q.C., Stratford, Ont.

Brigadier G. W. Robinson, C.B.E., E.D., London, Ont.

The Honourable F. M. Ross,

C.M.G., M.C., K.St.J., LL.D., Vancouver, B.C.

S. J. Smith, Chatham, Ont.

Major-General A. C. Spencer,

C.B.E., E.D., LL.D., D.Litt .S., London, Ont.

Colonel J. G. Thompson, C.D., London, Ont.

Noah Torno, M.B.E., Toronto, Ont.

Major-General A. E. Walford,

C.B., C.B.E., M.M., E.D., Montreal, P.Q.

Colonel The Honourable Clarence Wallace,

K.St.J., C.B.E., LL.D., Vancouver, B.C.

R. B. Wilson, Victoria, B.C.

THE HURON AND ERIE MORTGAGE CORPORATION  
BALANCE SHEET, DECEMBER 31, 1965

ASSETS

Cash .....		\$ 5,382,398
Bonds:		
Government of Canada, direct and guaranteed .....	\$ 47,802,433	
Provinces of Canada, direct and guaranteed .....	1,379,738	
Other .....	2,177,593	
Total bonds at amortized cost and accrued interest .....		51,359,764
(market value \$50,940,372)		
Stocks, at cost (market value \$7,967,475) .....		3,785,651
The Canada Trust Company, 99% of the issued shares, at cost .....		9,991,800
Loans on securities, including accrued interest .....		6,802,132
Real estate on hand, at cost .....		111,691
Mortgages, including accrued interest, less reserve .....		291,155,024
Fixed assets, at cost		
Land .....	\$ 2,008,927	
Buildings .....	7,512,475	
Furniture and fixtures .....	1,880,417	
Leasehold improvements .....	541,303	
	\$ 11,943,122	
Less: Accumulated depreciation .....	3,976,347	7,966,775
		<u>\$376,555,235</u>

The undersigned officials of The Huron and Erie Mortgage Corporation hereby certify that they have examined the foregoing statement of the said Corporation, and that to the best of their knowledge and belief the said statement is correct, and shows truly and clearly the financial condition of the Corporation's affairs.

V. P. CRONYN, *Chairman of the Board.*

J. ALLYN TAYLOR, *President.*

TOM LAWSON, *Vice-President.*

*The accompanying notes are an integral part of these statements.*





## LIABILITIES

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Savings and deposits, including accrued interest .....	\$159,320,772	
Debentures, including accrued interest .....	<u>189,105,367</u>	\$348,426,139
Income taxes payable .....	\$ 425,000	
Dividend payable .....	<u>400,000</u>	<u>825,000</u>
Total liabilities .....		\$349,251,139

## SHAREHOLDERS' EQUITY

### Capital: (note 1)

Authorized, 5,000,000 shares of \$2 each — \$10,000,000

Issued and fully paid, 4,000,000 shares ..... \$ 8,000,000

General reserve (note 2) ..... 19,100,000

Unappropriated earnings ..... 204,096

Total shareholders' equity ..... 27,304,096

\$376,555,235

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## THE HURON AND ERIE MORTGAGE CORPORATION

### STATEMENT OF EARNINGS

*Year Ended December 31, 1965*

#### Operating Income

Interest from mortgages .....	\$19,426,876	
Interest and dividends from bonds and stocks .....	2,797,404	
Dividends from The Canada Trust Company .....	392,434	
Other operating income .....	<u>1,384,338</u>	\$24,001,052

#### Operating Expenses

Interest on savings, deposits and debentures .....	\$13,836,171	
Salaries and staff benefits .....	2,208,534	
Other operating expenses .....	2,751,314	
Depreciation .....	489,031	
Special mortgage reserve .....	<u>1,470,848</u>	<u>20,755,898</u>

Earnings before income taxes..... \$ 3,245,154

Taxes on income ..... 1,332,446

Net earnings for the year ..... \$ 1,912,708

Transfer to general reserve ..... 459,096

Transfer to unappropriated earnings ..... \$ 1,453,612



## THE HURON AND ERIE MORTGAGE CORPORATION

### STATEMENT OF GENERAL RESERVE

*Year Ended December 31, 1965*

Balance at beginning of year .....	\$11,200,000
Add:	
Accumulated investment reserve (note 2) .....	4,185,580
Premium from issue of shares .....	3,200,000
Transfer from net earnings for the year .....	459,096
Net profit on sale of securities and real estate .....	55,324
Balance at end of year .....	<u>\$19,100,000</u>

### STATEMENT OF UNAPPROPRIATED EARNINGS

*Year Ended December 31, 1965*

Balance at beginning of year .....	\$ 78,484
Transfer from net earnings for the year .....	1,453,612
	<u>\$ 1,532,096</u>
Dividends .....	1,328,000
Balance at end of year .....	<u>\$ 204,096</u>

# THE HURON AND ERIE MORTGAGE CORPORATION

*Year Ended December 31, 1965*

## NOTES TO FINANCIAL STATEMENT

### **1. Capital:**

During the year 80,000 shares of a par value of \$10.00 each were issued for \$50.00 cash per share pursuant to an offer to shareholders of rights to subscribe for one additional share for each nine shares held. Subsequent thereto, the authorized capital stock was changed to 5,000,000 shares of a par value of \$2.00 per share and the issued capital stock was divided five for one into 4,000,000 shares.

### **2. Changes in Presentation:**

Comparative figures are not presented in the accompanying statements because the current year's figures are not wholly comparable with those for 1964 due to changes in presentation outlined below.

Investment reserves deducted in determining net earnings in prior years are now reflected in the transfer to General Reserve.

The accumulated investment reserve was deducted in prior years in valuing assets appearing on the balance sheet. The General Reserve now reflects this accumulated reserve at December 31, 1964.

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of The Huron and Erie Mortgage Corporation as at December 31, 1965 and the statements of earnings, general reserve and unappropriated earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Corporation, the accompanying balance sheet and statements of earnings, general reserve and unappropriated earnings are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Corporation as at December 31, 1965 and the results of its operations for the year ended on that date.

THORNE, MULHOLLAND, HOWSON & McPHERSON

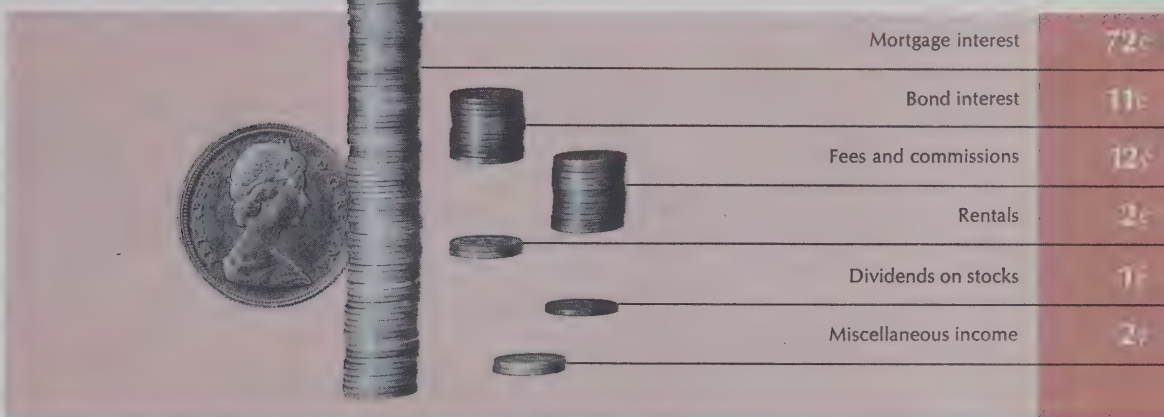
CHARTERED ACCOUNTANTS

London, Ontario, January 14, 1966

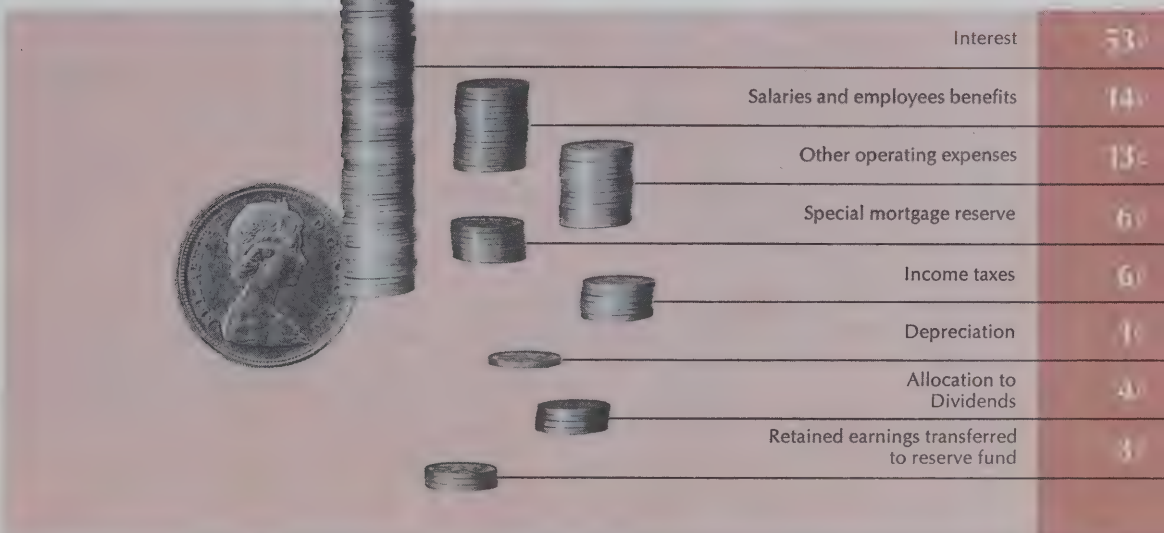


# THE HURON AND ERIE MORTGAGE CORPORATION AND THE CANADA TRUST COMPANY

## WHERE EACH DOLLAR CAME FROM



## WHERE EACH DOLLAR WENT



THE CANADA TRUST COMPANY  
BALANCE SHEET, DECEMBER 31, 1965

ASSETS

Cash .....		\$ 3,225,592
Bonds:		
Government of Canada, direct and guaranteed .....	\$ 27,952,971	
Provinces of Canada, direct and guaranteed .....	444,298	
Other .....	1,372,511	
Total bonds at amortized cost and accrued interest .....		29,769,780
(market value \$29,620,651)		
Short term corporation notes, at cost and accrued interest .....		14,519,960
(market value \$14,436,163)		
Stocks, at cost (market value \$4,410,676) .....		3,330,635
Advances to estates, trusts and agencies .....		1,003,467
Loans on securities, including accrued interest .....		96,012
Mortgages, including accrued interest, less reserve .....		140,680,998
Fixed assets, at cost		
Land .....	\$ 1,139,500	
Buildings .....	1,057,136	
Leasehold improvements .....	71,971	
	\$ 2,268,607	
Less: Accumulated depreciation .....	313,169	1,955,438
		<u>\$194,581,882</u>

*Estates, Trusts and Agencies*  
*Assets under Administration \$795,114,172*

The undersigned officials of The Canada Trust Company hereby certify that they have examined the foregoing statement of the said Company, and that to the best of their knowledge and belief the said statement is correct, and shows truly and clearly the financial condition of the Company's affairs.

V. P. CRONYN, *Chairman of the Board.*

J. ALLYN TAYLOR, *President.*

TOM LAWSON, *Vice-President.*

*The accompanying notes are an integral part of these statements.*





## LIABILITIES

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### Guaranteed Trust Account

Savings and deposits, including accrued interest .....	\$ 84,009,516	
Short term certificates, including accrued interest .....	14,515,566	
Trust certificates, including accrued interest .....	<u>79,680,950</u>	\$178,206,032

Income taxes payable ..... \$ 385,000

Dividend payable ..... 200,000 585,000

Total liabilities ..... \$178,791,032

## SHAREHOLDERS' EQUITY

### Capital: (note 1)

Authorized, \$5,000,000

Issued and fully paid, 250,000 shares of \$20 each ..... \$ 5,000,000

General reserve (note 2) ..... 10,600,000

Unappropriated earnings ..... 190,850

Total shareholders' equity ..... 15,790,850

\$194,581,882

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## THE CANADA TRUST COMPANY

### STATEMENT OF EARNINGS

*Year Ended December 31, 1965*

#### Operating Income

Interest from mortgages .....	\$ 9,145,594	
Interest and dividends from bonds, notes and stocks .....	2,082,354	
Fees and commissions from estates, trusts and agencies .....	4,645,581	
Other operating income .....	<u>435,226</u>	\$16,308,755

#### Operating Expenses

Interest on savings, deposits and trust certificates .....	\$ 7,271,432	
Salaries and staff benefits .....	3,528,354	
Other operating expenses .....	2,595,597	
Depreciation .....	45,549	
Special mortgage reserve .....	<u>714,285</u>	<u>14,155,217</u>

Earnings before income taxes ..... \$ 2,153,538

Taxes on income ..... 1,042,831

Net earnings for the year ..... \$ 1,110,707

Transfer to general reserve ..... 616,131

Transfer to unappropriated earnings ..... \$ 494,576



## THE CANADA TRUST COMPANY

### STATEMENT OF GENERAL RESERVE

*Year Ended December 31, 1965*

Balance at beginning of year .....	\$ 5,800,000
Add:	
Accumulated investment reserve (note 2) .....	2,797,271
Premium from issue of shares .....	1,450,000
Transfer from net earnings for the year .....	616,131
Net profit on sale of securities .....	9,162
	<u>\$10,672,564</u>
Less:	
Excess of cost of shares of Executors and Administrators	
Trust Company Limited over amount allocated to assets .....	72,564
Balance at end of year .....	<u>\$10,600,000</u>

### STATEMENT OF UNAPPROPRIATED EARNINGS

*Year Ended December 31, 1965*

Balance at beginning of year .....	\$ 96,274
Transfer from net earnings for the year .....	494,576
	<u>\$ 590,850</u>
Dividends .....	400,000
Balance at end of year .....	<u>\$ 190,850</u>

# THE CANADA TRUST COMPANY

*Year Ended December 31, 1965*

## NOTES TO FINANCIAL STATEMENT

### **1. Capital:**

During the year, 50,000 shares of a par value of \$20 each were issued for \$49 cash per share.

### **2. Changes in Presentation:**

Comparative figures are not presented in the accompanying statements because the current year's figures are not wholly comparable with those for 1964 due to changes in presentation outlined below.

Investment reserves deducted in determining net earnings in prior years are now reflected in the transfer to General Reserve.

The accumulated investment reserve was deducted in prior years in valuing assets appearing on the balance sheet. The General Reserve now reflects this accumulated reserve as at December 31, 1964.

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of The Canada Trust Company as at December 31, 1965 and the statements of earnings, general reserve and unappropriated earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Company, the accompanying balance sheet and statements of earnings, general reserve and unappropriated earnings are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at December 31, 1965 and the results of its operations for the year ended on that date.

THORNE, MULHOLLAND, HOWSON & McPHERSON  
CHARTERED ACCOUNTANTS

London, Ontario, January 14, 1966

# CANADA TRUST—HURON AND ERIE MANAGERS

## HEAD OFFICE DIVISIONS AND DEPARTMENTS

### LONDON

Comptroller—B. E. Minns, C.A.  
Management Services—J. H. Speake  
Marketing Services—D. E. McLean

Mortgages—J. M. Scott  
Office Premises—K. T. McNair

### TORONTO

Corporate Trust Consultant—D. A. MacDonald  
Pension Trust—J. T. Wallace

## OFFICE LOCATIONS AND MANAGERS

### BRITISH COLUMBIA

NANAIMO—C. G. Shultz  
NEW WESTMINSTER—M. H. Moore  
PRINCE GEORGE—D. W. Stothers  
VANCOUVER  
Main—C. H. O'Hara  
Kerrisdale—J. R. Young  
Main Street—T. A. Harris  
Oakridge—G. O. Bradley  
VICTORIA—D. R. Abbott

### ALBERTA

CALGARY—J. R. Biggs, *Prairie Region Supervisor*  
EDMONTON—J. J. Wilkey  
LETHBRIDGE—D. G. W. Sutherland  
MEDICINE HAT—W. D. Roseboom  
RED DEER—W. J. Wilson

### SASKATCHEWAN

MOOSE JAW—A. D. Wolfe  
SASKATOON—W. W. Park  
REGINA—W. M. Simms

### MANITOBA

BRANDON—John Station  
WINNIPEG—W. A. Bell

### ONTARIO

BARRIE—D. R. Diggle  
CHATHAM—D. M. McCallum  
GUELPH—M. L. Cosens  
HAMILTON—Ronald Clayton  
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South London—J. S. Gibson  
University—H. A. Heine  
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WINDSOR—G. A. Dew

### QUEBEC

#### MONTREAL

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## CANADA TRUST—HURON AND ERIE

### SAVINGS, LOAN AND TRUST SERVICES

#### SAVINGS ACCOUNTS

Interest is calculated on minimum half-yearly balances and credited in April and October. No service charges — for any reasonable number of cheques. Convenient "Deposit-by-Mail" service available.

#### DEPOSIT ACCOUNTS

Interest is added twice a year, in April and October, but because it is calculated on minimum *monthly* rather than quarterly or half-yearly balances, earnings are even higher. Deposits or withdrawals may be made at any time, either in person or by mail.

#### DEBENTURES AND TRUST CERTIFICATES

Paying a still higher rate of interest on \$100 or more for periods of one to five years, debentures and trust certificates are authorized trustee investments and may be cashed at par on the death of the holder.

#### MORTGAGE LOANS

First mortgage loans at attractive rates, for building, remodelling, refinancing or consolidation of outstanding debts.

#### AGENCY ACCOUNTS

A service designed to assist in the care of investments. Particularly helpful to people who lack the time or experience for proper investment supervision.

#### TRUSTEE FOR PENSION FUNDS

#### TRANSFER AGENT

#### REGISTRAR

#### DIVIDEND DISBURSING AGENT

#### TRUSTEE UNDER BOND ISSUES

#### ESTATE ANALYSIS

This service provides for recommendation of an estate plan best suited to individual needs — a plan designed to avoid unnecessary taxes and provide the utmost family protection.

#### EXECUTOR-TRUSTEE

As executor and trustee under wills, Canada Trust offers experience, group judgment, investment knowledge and accounting facilities in the safeguarding of estates and protection of beneficiaries.

#### INVESTMENT FUND

A unique and flexible investment medium for participating in the dynamic growth of Canada's industries and resources.

#### RETIREMENT SAVINGS FUNDS

An attractive method by which an individual may provide for retirement income with immediate savings of income tax.

#### SAFE DEPOSIT BOXES

Protection is provided at most offices, at minimum cost, for securities, valuable documents and personal items.

#### BUSINESS BROKERAGE

#### REAL ESTATE SALES

#### COMMERCIAL REAL ESTATE BROKERAGE

#### PROPERTY MANAGEMENT

#### COLLATERAL LOANS



## CANADA TRUST—HURON AND ERIE EXPANSION CONTINUES

Several new offices were opened and existing premises renovated during 1965. Thus Canada Trust—Huron & Erie was able to extend and improve its facilities to serve more Canadians better than ever before. Here are a few highlights of our building programme.



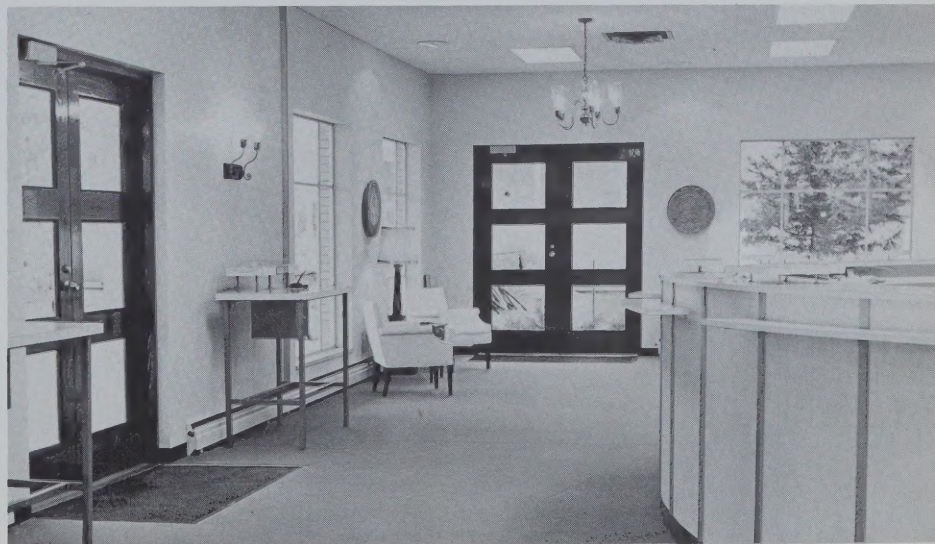
Modern one-story building in Prince George, B.C. features drive-in teller service, customer parking area.



Under construction—18-story Canada Trust office building in downtown Toronto, for completion in 1967.



Typical shopping centre location is new Riverdale office in Toronto.



Bright, tasteful interior decor in new offices creates pleasant atmosphere for customers and staff.



